

# PROGRAM OPPORTUNITY NOTICE

## Demonstrating Clean Energy Solutions That Support California's Industries, the Environment, and the Electrical Grid



**PON-14-307**

<http://www.energy.ca.gov/contracts/index.html>

**State of California**

**California Energy Commission**

**October 2014**

**December 2014**

**Addendum #2**

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## ATTACHMENTS

1	Application Form <i>(requires signature)</i>
2	Executive Summary Form
3	Fact Sheet Template
4	Project Narrative Form
5	Project Team Form
6	Scope of Work Template
6a	Scope of Work Template: Project Schedule <i>(excel spreadsheet)</i>
7	Budget Forms <i>(excel spreadsheet)</i>
8	CEQA Compliance Form <i>(requires signature)</i>
9	Reference and Work Product Form
10	Contact List Template
11	Commitment and Support Letter Form <i>(letters require signature)</i>
12	References for Calculating Energy End-Use, Electricity Demand, and GHG

	Emissions
13	Energy Consumption Reporting Form (This form is completed only by awarded projects during the project term.)

# I. Introduction

## A. PURPOSE OF SOLICITATION

The purpose of this solicitation is to fund technology demonstration and deployment projects that:

- Demonstrate and deploy community scale generators, including combined heat and power (CHP) and renewable generation technologies that are in the pre-commercial stage; and
- Demonstrate and deploy innovative energy management strategies to facilitate the integration of intermittent renewable energy and the reduction of peak power and energy demands.

California's electricity grid is undergoing significant changes as customers are choosing distributed renewables for their electricity needs, the cost of renewables is dropping, and the continual deployment and improvements of energy efficiency measures. All these developments are crucial for California to meet its AB 32 goals, but they come with a number of challenges such as supply uncertainty, an explosion in the number of customer-generators and changing demand patterns. Along with these challenges there is the continual increase in energy, power, and ramping demands, as a result new solutions will be required for the future electricity grid to continue providing electricity to customers on demand.

This solicitation will fund community scale generation and community wide strategies that can provide load shifting or peak load reduction for communities to minimize or control demand fluctuations. These community scale generation projects and innovative strategies, thoughtfully deployed, should provide benefits to the community, utility, and ratepayers.

This solicitation contains some similarities with the solicitation entitled, *Demonstrating Secure, Reliable Microgrids and Grid-Linked Electric Vehicles to Build Resilient, Low-Carbon Facilities and Communities* (PON-14-301; <http://www.energy.ca.gov/contracts/epic.html#PON-14-301>) that focuses on the 1547a "smart inverter" in demonstrations to support and advance microgrids, promoting reliability and resiliency of the microgrid. This solicitation, however, focuses on the demonstration of advanced community scale generation projects and innovative strategies that can improve the integration of these technologies into the current electricity grid by matching generation to customer load, and shifting loads, to reduce peak energy and power demands for the benefits of the customers. The demonstration sites for this solicitation need not contain all contiguous electric customers on the distribution feeder, nor is a central control system required.

See Part II of this solicitation for project eligibility requirements. Applications will be evaluated as follows: Stage One proposal screening and Stage Two proposal scoring. Applicants may submit multiple applications, though each application must be for a distinct project (i.e., no overlap with respect to the tasks described in the Scope of Work, Attachment 6).

## B. KEY WORDS/TERMS

Word/Term	Definition
Applicant	The respondent to this solicitation
Application	An applicant's formal written response to this solicitation

Word/Term	Definition
CAM	<i>Commission Agreement Manager</i> , the person designated by the Energy Commission to oversee the performance of an agreement resulting from this solicitation and to serve as the main point of contact for the Recipient
Combined Heat and Power	The simultaneous production of electricity and useful heat from a single fuel source.
Community	A group of customer loads, or a single large customer load, with a historic yearly demand of no less than 65,000 kWh, approximately the demand of 10 average California residential customer loads. <sup>1</sup>
Community Scale Generator	An electricity generator that is sized to meet all or a portion of the electrical needs of the identified community, and is operated to limit electricity exports to the electricity grid under normal operations and demands of the community.
EPIC	<i>Electric Program Investment Charge</i> , the source of funding for the projects awarded under this solicitation
Energy Commission	California Energy Commission
IOU	<i>Investor-owned utility</i> , including Pacific Gas and Electric Co., San Diego Gas and Electric Co., and Southern California Edison Co.
NOPA	<i>Notice of Proposed Award</i> , a public notice that identifies award recipients
Pre-Commercial	Pre-commercial technologies are new technologies or enhancements of existing technologies that are not commercially available in California.
Principal Investigator	The lead scientist or engineer for the applicant's project, who is responsible for overseeing the project; in some instances, the Principal Investigator and Project Manager may be the same person
Project Manager	The person designated by the applicant to oversee the project and to serve as the main point of contact for the Energy Commission
Project Partner	An entity or individual that contributes financially or otherwise to the project (e.g., match funding, provision of a demonstration site), and does not receive Energy Commission funds
Recipient	The recipient of an award under this solicitation
Solicitation	This entire document, including all attachments and exhibits ("solicitation" may be used interchangeably with "program opportunity notice")
State	State of California

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<sup>1</sup> [http://www.eia.gov/electricity/sales\\_revenue\\_price/xls/table5\\_a.xls](http://www.eia.gov/electricity/sales_revenue_price/xls/table5_a.xls)

## C. APPLICANTS' ADMONISHMENT

This solicitation contains application requirements and instructions. Applicants are responsible for **carefully reading** the solicitation, asking appropriate questions in a timely manner, ensuring that all solicitation requirements are met, submitting all required responses in a complete manner by the required date and time, and **carefully rereading** the solicitation before submitting an application. In particular, please carefully read the **Screening/Scoring Criteria and Grounds for Rejection** in Part IV, and the terms and conditions located at: <http://www.energy.ca.gov/research/contractors.html>.

Applicants are responsible for the cost of developing applications. This cost cannot be charged to the State. All submitted documents will become public records upon the posting of the Notice of Proposed Award.

## D. BACKGROUND

### 1. Electric Program Investment Charge (EPIC) Program

This solicitation will award projects funded by the EPIC program, an electricity ratepayer surcharge established by the California Public Utilities Commission (CPUC) in December 2011.<sup>2</sup> The purpose of the EPIC program is to benefit the ratepayers of three investor-owned utilities (IOUs), including Pacific Gas and Electric Co., San Diego Gas and Electric Co., and Southern California Edison Co. The EPIC funds clean energy technology projects that promote greater electricity reliability, lower costs, and increased safety.<sup>3</sup> Additionally, complementary principles that further guide the program include projects that following the loading order of preferred resources and provide: a) societal benefits; b) greenhouse gas (GHG) emissions mitigation and adaptation in the electricity sector at the lowest possible cost; c) low-emission vehicles/transportation; d) economic development; and e) efficient use of ratepayer monies. In addition to providing IOU ratepayer benefits, funded projects must lead to technological advancement and breakthroughs to overcome the barriers that prevent the achievement of the state's statutory energy goals.<sup>4</sup> The EPIC Program is administered by the California Energy Commission and the IOUs.

### 2. Program Areas, Strategic Objectives, and Funding Initiatives

EPIC projects must fall within the following **program areas** identified by the CPUC:

- Applied research and development;
- Technology demonstration and deployment; and
- Market facilitation

In addition, projects must fall within one of 18 general focus areas ("**strategic objectives**") identified in the Energy Commission's EPIC Investment Plan<sup>5</sup> and within one or more specific

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<sup>2</sup> See CPUC "Phase 1" Decision 11-12-035, December 15, 2011, [http://docs.cpuc.ca.gov/PublishedDocs/WORD\\_PDF/FINAL\\_DECISION/156050.PDF](http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/156050.PDF).

<sup>3</sup> See CPUC "Phase 2" Decision 12-05-037, May 24, 2012, [http://docs.cpuc.ca.gov/PublishedDocs/WORD\\_PDF/FINAL\\_DECISION/167664.PDF](http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/167664.PDF).

<sup>4</sup> California Public Resources Code, Section 25711.5(a), <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=prc&group=25001-26000&file=25710-25712>.

<sup>5</sup> [http://www.energy.ca.gov/research/epic/documents/final\\_documents\\_submitted\\_to\\_CPUC/2012-11-01\\_EPIC\\_Application\\_to\\_CPUC.pdf](http://www.energy.ca.gov/research/epic/documents/final_documents_submitted_to_CPUC/2012-11-01_EPIC_Application_to_CPUC.pdf).

focus areas (“**funding initiatives**”) identified in the plan. This solicitation targets the following program area, strategic objective, and funding initiatives:

- **Program Area:** Technology Demonstration and Deployment
- **Strategic Objective S13:** Demonstrate and Evaluate Emerging Clean Energy Generation Technologies and Deployment Strategies
  - **Funding Initiative S13.2:** Demonstrate and Deploy Pre-Commercial Technologies and Strategies for Combined Heat and Power Applications.
  - **Funding Initiative S13.3:** Demonstrate Technologies and Strategies to Facilitate the Integration of Intermittent Renewable Energy.

### **3. Applicable Laws, Policies, and Background Documents**

This solicitation addresses the energy goals described in the following laws, policies, and background documents.

#### **Laws/Regulations**

- **Assembly Bill (AB) 32 (“The Global Warming Solutions Act of 2006”)**

AB 32 created a comprehensive program to reduce greenhouse gas (GHG) emissions in California. GHG reduction strategies include a reduction mandate of 1990 levels by 2020 and a cap-and-trade program. AB 32 also required the California Air Resources Board (ARB) to develop a Scoping Plan that describes the approach California will take to reduce GHGs. ARB must update the plan every five years.

Additional information: <http://www.arb.ca.gov/cc/ab32/ab32.htm>

Applicable Law: California Health and Safety Code §§ 38500 et. seq.

- **Renewables Portfolio Standard (Senate Bill (SB) X1-2, Statutes of 2011-12, First Extraordinary Session)**

SB X1-2 requires that all California electricity retailers adopt the goals of 20 percent of retail sales from renewable energy sources by the end of 2013, 25 percent by the end of 2016, and 33 percent by the end of 2020.

- **AB 758, Building Efficiency (Statutes of 2009)**

AB 758 requires the Energy Commission to collaborate with the California Public Utilities Commission and stakeholders to develop a comprehensive program to achieve greater energy savings in existing residential and nonresidential buildings. The Energy Commission developed a *Comprehensive Energy Efficiency Program for Existing Buildings Scoping Report* in 2012, and plans to develop voluntary and mandatory strategies and approaches to achieve energy savings.

Additional information: <http://www.energy.ca.gov/ab758/>

Applicable Law: California Public Resources Code § 25943, California Public Utilities Code §§ 381.2 and 385.2

- **Assembly Bill (AB) 2514 - Energy Storage Systems (Statutes of 2010)**

AB 2514 required the CPUC to determine targets for the procurement of viable, cost-effective energy storage systems by load-serving entities. The CPUC adopted the procurement targets in Decision 13-10-040, issued on October 17, 2013 (see the summary of Decision 13-10-040 in the “Policies/Plans” section below).

Additional information: <http://www.cpuc.ca.gov/PUC/energy/electric/storage.htm>

Applicable Law: California Public Utilities Code §§ 2835 et. seq., and § 9620 ([http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab\\_2501-2550/ab\\_2514\\_bill\\_20100929\\_chaptered.pdf](http://www.leginfo.ca.gov/pub/09-10/bill/asm/ab_2501-2550/ab_2514_bill_20100929_chaptered.pdf))

- **Assembly Bill (AB) 1613 – Waste Heat and Carbon Emissions Reduction Act (Statutes of 2007)**

AB 1613, amended by AB 2791 (2008), encourages the development of new CHP systems in California with a generating capacity of not more than 20 megawatts. The CPUC is allowed to require an electrical corporation to purchase the excess electricity delivered by a CHP system that complies with the Energy Commission adopted guidelines for qualifying CHP systems.

Additional information: <http://www.energy.ca.gov/wasteheat/>

Applicable Law: California Public Utilities Code §§ 2840 et. seq. ([http://www.leginfo.ca.gov/pub/07-08/bill/asm/ab\\_1601-1650/ab\\_1613\\_bill\\_20071014\\_chaptered.pdf](http://www.leginfo.ca.gov/pub/07-08/bill/asm/ab_1601-1650/ab_1613_bill_20071014_chaptered.pdf))

- **California Energy Code**

The Energy Code is a component of the California Building Standards Code, and is published every three years through the collaborative efforts of state agencies including the California Building Standards Commission and the Energy Commission. The Code ensures that new and existing buildings achieve energy efficiency and preserve outdoor and indoor environmental quality through use of the most energy efficient technologies and construction.

Additional information: <http://www.energy.ca.gov/title24/>

Applicable Law: California Code of Regulations, Title 24, Part 6 and associated administrative regulations in Part 1

## Policies/Plans

- **Governor's Clean Energy Jobs Plan (2011)**

In June 2011, Governor Jerry Brown announced a plan to invest in clean energy and increase efficiency. The plan includes a goal of producing 20,000 megawatts (MW) of renewable electricity by 2020 by taking the following actions: addressing peak energy needs, developing energy storage, creating efficiency standards for buildings and appliances, and developing combined heat and power (CHP) projects. Specific goals include building 8,000 MW of large-scale renewable and transmission lines, 12,000 MW of localized energy, and 6,500 MW of CHP.

Additional information: [http://gov.ca.gov/docs/Clean\\_Energy\\_Plan.pdf](http://gov.ca.gov/docs/Clean_Energy_Plan.pdf)

- **Integrated Energy Policy Report (Biennial)**

California Public Resources Code Section 25302 requires the Energy Commission to release a biennial report that provides an overview of major energy trends and issues facing the state. The IEPR assesses and forecasts all aspects of energy industry supply, production, transportation, delivery, distribution, demand, and pricing. The Energy Commission uses these assessments and forecasts to develop energy policies.

Additional information: <http://www.energy.ca.gov/energypolicy>

Applicable Law: California Public Resources §§ 25300 et. seq.



## Reference Documents

Refer to the link below for information about past Energy Commission research projects and activities:

<http://www.energy.ca.gov/research/>

## **E. FUNDING**

### **1. Amount Available and Minimum/ Maximum Funding Amounts**

There is up to **\$21,000,000** available for grants awarded under this solicitation. The minimum funding amount for each project is **\$500,000**. The maximum funding amount is **\$3,000,000**.

The Energy Commission expects to fund at least seven demonstration projects, with specific funding for the following groups:

- Group 1: Up to \$9 million in available funding. Proposals with the demonstration community located entirely within **one or more** a-2010 census tract(s) with the poorest environmental quality as defined by a CalEnviroScreen 2.0 in the 81 or greater percentile range;<sup>6</sup>
- Group 2: All Proposals with a demonstration community not located in regions noted above. Up to \$12 million in available funding.

The two groups will be scored and ranked separately.

### **2. Match Funding Requirement**

Match funding is required in the amount of at least 20% of the requested project funds. Applicants that provide more than this amount will receive additional points during the scoring phase (See Part IV).

- **“Match funds”** include: (1) “cash in hand” funds; (2) equipment; (3) materials; (4) information technology services; (5) travel; (6) subcontractor costs; (7) contractor/project partner in-kind labor costs; and (8) “advanced practice” costs. Match funding sources include the prime contractor, subcontractors, and pilot testing/demonstration/deployment sites (e.g., test site staff services). “Match funds” do not include Energy Commission awards, future/contingent awards from other entities (public or private), or the cost or value of the project work site. Definitions of “match funding” categories are listed below.
  - **“Cash in hand” funds** means funds that are in the recipient’s possession and are reserved for the proposed project, meaning that they have not been committed for use or pledged as match for any other project. “Cash in hand” funds include funding awards earned or received from other agencies for the proposed technologies or study (but not for the identical work). As applicable, proof that the funds exist as cash is required at the project kick-off meeting.
  - **“Equipment”** means an item with a unit cost of at least \$5,000 and a useful life of at least one year. **Purchasing equipment with match funding is**

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<sup>6</sup> Information on the CalEnviroScreen, including scores for 2010 census tracts, can be found online at: <http://oehha.ca.gov/ej/ces2.html>. An excel file containing a list of all census tracts and the associated CalEnviroScreen score and percentile range is provided with the solicitation files. Only the scores and percentile identified in this file, downloaded in October 2014, will be used when evaluating eligibility for Group 1 funding.

**encouraged** because there are no disposition requirements at the end of the agreement for such equipment. Typically, grant recipients may continue to use equipment purchased with Energy Commission funds if the use is consistent with the intent of the original agreement.

- **“Materials”** means tangible project items that cost less than \$5,000 and have a useful life of less than one year.
  - **“Information Technology Services”** means the design, development, application, implementation, support, and management of computer-based information systems directly related to the tasks in the Scope of Work. All information technology services in this area must comply with the electronic file format requirements in Subtask 1.1 (Products) of the Scope of Work (Attachment 6).
  - **“Travel”** means all travel required to complete the tasks identified in the Scope of Work. Travel includes in-state and out-of-state travel, and travel to conferences. Use of match funds for out-of-state travel and travel to conferences is encouraged.
  - **“Subcontractor Costs”** means all costs incurred by subcontractors for the project, including labor and non-labor costs.
  - **“Contractor/Project Partner in-Kind Labor Costs”** means contractor or project partner labor costs that are not charged to the Energy Commission.
  - **“Advanced Practice Costs”** means costs not charged to the Energy Commission that represent the incremental cost difference between standard and advanced practices, measures, and products used to implement the proposed project. For example, if the cost of purchasing and/or installing insulation that meets the applicable building energy efficiency standard is \$1/square foot and the cost of more advanced, energy efficient insulation is \$3/square foot, the Recipient may count up to \$2/square foot as match funds.
- Match funds may be spent only during the agreement term, either before or concurrently with EPIC funds. Match funds also must be reported in invoices submitted to the Energy Commission.
  - All applicants providing match funds must submit commitment letters that: (1) identify the source(s) of the funds; (2) justify the dollar value claimed; (3) provide an unqualified (i.e., without reservation or limitation) commitment that guarantees the availability of the funds for the project; and (4) provide a strategy for replacing the funds if they are significantly reduced or lost. Please see Attachment 11, Commitment and Support Letter Form.
  - All match funds identified in the application must be identified in a commitment letter. Any match funds not committed to the project, not mentioned in a commitment letter, or not matching the quantity identified in commitment letters will not be considered in the screening or scoring process.

### **3. Restricted Purchases**

EPIC funds from this solicitation may not be used for any of the following:

- Equipment, control software, or similar items used solely to disconnect the community from the electricity grid.
- Interconnection studies, applications, permitting, or equipment on the utility side of the meter, the point of common coupling. EPIC funds may be expended for interconnection

only for engineering and infrastructure on the customer side of the point of common coupling.

- Energy efficiency measures that are not expected to result in demand reductions at peak times that exceed the demand reductions off-peak times by at least 10%.

The following costs may be counted as match funding, under the category of “advanced practice costs:”

- Equipment, control software, or similar items used solely to disconnect the community from the electricity grid.
- Energy efficiency measures.

#### **4. Change in Funding Amount**

The Energy Commission reserves the right to:

- Increase or decrease the available funding and minimum/maximum award amounts described in this section.
- Allocate any additional funds to passing applications, in rank order.
- Reduce funding to an amount deemed appropriate if the budgeted funds do not provide full funding for agreements. In this event, the Recipient(s) and Commission Agreement Manager will reach agreement on a reduced Scope of Work commensurate with available funding.

## **F. KEY ACTIVITIES SCHEDULE**

Key activities, dates, and times for this solicitation and for agreements resulting from this solicitation are presented below. An addendum will be released if the dates change for activities that appear in **bold**.

<b>ACTIVITY</b>	<b>DATE</b>	<b>TIME<sup>7</sup></b>
Solicitation Release	11/4/2014	
<b>Pre-Application Workshop</b>	<b>11/21/2014</b>	<b>10:00 a.m.</b>
<b>Deadline for Written Questions<sup>8</sup></b>	<b>11/24/2014</b>	<b>5:00 p.m.</b>
Anticipated Distribution of Questions and Answers	<del>12/3/2014</del> <b>12/11/2014</b>	
<b>Deadline to Submit Applications</b>	<del>1/6/2015</del> <b>1/16/2015</b>	<b>3:00 p.m.</b>
Anticipated Notice of Proposed Award Posting Date	2/27/2015	
Anticipated Energy Commission Business Meeting Date	June 2015	
Anticipated Agreement Start Date	July 2015	
Anticipated Agreement End Date	July 2018	

<sup>7</sup> Pacific Standard Time or Pacific Daylight Time, whichever is being observed.

<sup>8</sup> This deadline does not apply to non-technical questions (e.g., questions concerning application format requirements or attachment instructions) or to questions that address an ambiguity, conflict, discrepancy, omission, or other error in the solicitation. Such questions may be submitted to the Commission Agreement Officer listed in Section H at any time prior to the application deadline. Please see Section H for additional information.

## **G. PRE-APPLICATION WORKSHOP**

Energy Commission staff will hold one Pre-Application Workshop to discuss the solicitation with applicants. Participation is optional but encouraged. Applicants may attend the workshop in-person, via the internet (WebEx, see instructions below), or via conference call on the date and at the time and location listed below. Please call (916) 654-4381 or refer to the Energy Commission's website at [www.energy.ca.gov/contracts/index.html](http://www.energy.ca.gov/contracts/index.html) to confirm the date and time.

**Date and time:** November 21, 2014 at 10:00 a.m.

**Location:** California Energy Commission  
1516 9th Street  
Sacramento, CA 95814  
Hearing Room A

### **WebEx Instructions:**

- To join the WebEx meeting, go to <https://energy.webex.com> and enter the meeting number and password below:  
**Meeting Number:** 928 001 772  
**Meeting Password:** meeting@10  
**Topic:** PON-14-307 Demonstrating Clean Energy Solutions Pre-Application Workshop
- To Logon with a Direct Phone Number: After logging into WebEx, a prompt will appear on-screen for a phone number. In the "Number" box, enter your area code and phone number and click "OK" to receive a call for the audio of the meeting. International callers may use the "Country/Region" button to help make their connection.
- To Logon with an Extension Phone Number: After you login, a prompt will ask for your phone number. Select "CANCEL." Call **1-866-469-3239** (toll-free in the U.S. and Canada). When prompted, enter the meeting number above and the unique Attendee ID number listed in the top left area of the screen after login. International callers may dial in using the "Show all global call-in numbers" link (also in the top left area).

### **Telephone Access Only:**

Call **1-866-469-3239** (toll-free in the U.S. and Canada). When prompted, enter the meeting number above. International callers may select their number from <https://energy.webex.com/energy/globalcallin.php>.

### **Technical Support:**

- For assistance with problems or questions about joining or attending the meeting, please call WebEx Technical Support at **1-866-229-3239**. You may also contact Mark Kootstra at (916) 327-1542.
- System Requirements: To determine whether your computer is compatible, visit: <http://support.webex.com/support/system-requirements.html>.
- Meeting Preparation: The playback of UCF (Universal Communications Format) rich media files requires appropriate players. Please determine whether the players are installed on your computer by visiting: <https://energy.webex.com/energy/systemdiagnosis.php>.

## H. QUESTIONS

During the solicitation process, direct questions to the Commission Agreement Officer listed below:

Cory Irish, Commission Agreement Officer  
California Energy Commission  
1516 Ninth Street, MS-18  
Sacramento, California 95814  
Telephone: (916) 654-4739  
FAX: (916) 654-4423  
E-mail: [cory.irish@energy.ca.gov](mailto:cory.irish@energy.ca.gov)

Applicants may ask questions at the Pre-Application Workshop, and may submit written questions via mail, email, and FAX. However, all technical questions must be received by the deadline listed in the "Key Activities Schedule." Non-technical questions (e.g., questions concerning application format requirements or attachment instructions) may be submitted to the Commission Agreement Officer at any time prior the application deadline.

A question and answer document will be e-mailed to all parties who attended the Pre-Application Workshop and provided their contact information on the sign-in sheet. The questions and answers will also be posted on the Commission's website at: <http://www.energy.ca.gov/contracts/index.html>.

If an applicant discovers an ambiguity, conflict, discrepancy, omission, or other error in the solicitation after the deadline for written questions but prior to the application deadline, the applicant may notify the Energy Commission in writing and request modification or clarification of the solicitation. The Energy Commission will provide modifications or clarifications by written notice to all parties who requested the solicitation. At its discretion, the Energy Commission may re-open the question/answer period to provide all applicants the opportunity to seek any further clarification required. *If an applicant submits a question after the deadline for written questions that does not concern a non-technical issue or a solicitation ambiguity, conflict, discrepancy, omission, or error, the Commission Agreement Officer will refer the applicant to the solicitation documents for guidance.*

Any verbal communication with a Commission employee concerning this solicitation is not binding on the State and will in no way alter a specification, term, or condition of the solicitation. Therefore, all communication should be directed in writing to the assigned Commission Agreement Officer.

## II. Eligibility Requirements

### A. APPLICANT REQUIREMENTS

#### 1. Eligibility

This solicitation is open to all public and private entities and individuals with the exception of publicly-owned electric utilities. In accordance with CPUC Decision 12-05-037, funds administered by the Energy Commission may not be used for any purposes associated with publicly-owned utility activities.

#### 2. Terms and Conditions

Each grant agreement resulting from this solicitation will include terms and conditions that set forth the recipient's rights and responsibilities. By signing the Application Form (Attachment 1), each applicant agrees to enter into an agreement with the Energy Commission to conduct the proposed project according to the terms and conditions that correspond to its organization, without negotiation: (1) University of California terms and conditions; (2) U.S. Department of Energy terms and conditions; or (3) standard terms and conditions. The standard terms and conditions are located at <http://www.energy.ca.gov/research/contractors.html>. The University of California and U.S. Department of Energy terms and conditions are under negotiation and will be posted once finalized.

Failure to agree to the terms and conditions by taking actions such as failing to sign the Application Form or indicating that acceptance is based on modification of the terms will result in **rejection** of the application. Applicants **must read** the terms and conditions carefully. The Energy Commission reserves the right to modify the terms and conditions prior to executing grant agreements.

#### 3. California Secretary of State Registration

California business entities and non-California business entities that conduct intrastate business in California and are required to register with the California Secretary of State must do so and be in good standing in order to enter into an agreement with the Energy Commission. If not currently registered with the California Secretary of State, applicants should contact the Secretary of State's Office as soon as possible. For more information, visit the Secretary of State's website at: [www.sos.ca.gov](http://www.sos.ca.gov).

### B. PROJECT REQUIREMENTS

#### 1. Technology Demonstration and Deployment Stage

Projects must fall within the "technology demonstration and deployment" stage, which involves the installation and operation of pre-commercial technologies or strategies at a scale sufficiently large and in conditions sufficiently reflective of anticipated actual operating environments to enable appraisal of operational and performance characteristics, and of financial risks.<sup>9</sup> These projects must have completed field, lab, bench-scale and/or pilot-scale work with verified performance data to warrant pre-commercial/commercial scale-up.

All demonstration projects must be located in IOU service territory (PG&E, SDG&E, or SCE).

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<sup>9</sup> See CPUC "Phase 2" Decision 12-05-037 at pp. 39-40 and 90, [http://docs.cpuc.ca.gov/PublishedDocs/WORD\\_PDF/FINAL\\_DECISION/167664.PDF](http://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/167664.PDF).

## **2. Project Focus**

Projects must involve the demonstration and deployment of one or more community scale generation resources designed, in conjunction with innovative strategies, to control energy demand and to benefit the community, utility, and ratepayer. Benefits should be realized through decreased peak power demand, decreased energy demand during peak times, reduced demand fluctuations, or a combination of benefits.

Applicants must identify in the Project Narrative Form (Attachment 4) how the following goals will be accomplished by the project:

1. Support the demonstration and deployment of pre-commercial technologies using renewable energy resources or CHP technologies.
2. Encourage the enactment of innovative energy management strategies including, but not limited to, thermal energy storage, electric energy storage, targeted energy efficiency, demand management, and other enabling technologies and strategies.
3. Demonstrate how the deployment of community scale generation and innovative strategies can successfully reduce peak energy demands, reduce peak power demand, and demand fluctuations.
4. Produce technical and economic performance data on community scale generation technology and innovative strategies. This includes documentation of installation issues, operational constraints, operational performance, and impact on utility bills within the community.
5. Identify challenges or barriers to deployment of community scale generation and innovative energy management strategies (such as financing, regulatory challenges, aging infrastructure)
6. Determine the optimal generation resource(s) or combination of resources to target peak power and energy demands.
7. Identify the energy management strategies that provide the highest value with minimal negative impact.
8. It is encouraged that all projects be ready to provide, or capable of providing, utility or CA ISO controlled dispatchable power or demand response to minimize the daily demand variations of the community and compensate for local variations outside the community.

## **3. Project Criteria**

Applicants must show how the projects meet, or will meet, all the following criteria:

1. The project is a community that is interconnected to the electricity grid under the same distribution feeder.
  - a. A community is a group of customer loads or a single large customer load with a historic yearly demand no less than 65,000 kWh, approximately the demand of 10 average California residential customer loads.<sup>10</sup>
2. The community deploys new generation with a capacity of at least 10 percent of the community's peak load. The generator(s) must meet the RPS-eligible resource criteria,<sup>11</sup> with no more than 10 percent nonrenewable energy inputs, or be CHP.

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<sup>10</sup> [http://www.eia.gov/electricity/sales\\_revenue\\_price/xls/table5\\_a.xls](http://www.eia.gov/electricity/sales_revenue_price/xls/table5_a.xls)

<sup>11</sup> The *Renewables Portfolio Standard Eligibility Guidebook, Seventh Edition*, is available online at: <http://www.energy.ca.gov/renewables/documents/index.html#rps>

- a. Applicants must clearly show in their proposal how the proposed generator is an advancement compared to standard commercially available products and why this generator is a good candidate for technology demonstration and deployment investment under EPIC.
  - b. The applicant must identify the current status of the interconnection application with the local utility, what steps are remaining for the interconnection, and what funding is available for the interconnection process.
3. The community has undergone, or will undergo, cost effective energy efficiency measures.
4. The community will deploy innovative strategies to control demand during peak hours or match the generation profile of the installed system(s) to the peak demand needs, as defined by the applicable utility tariff. Innovative strategies can include, but are not limited to:
  - a. Thermal energy storage;<sup>12</sup>
  - b. Electrical energy storage;
  - c. Aggressive energy efficiency targeted to peak electricity use;
  - d. Demand response; and
  - e. Orientation of solar panels.
5. The technology and strategies must be designed to provide at least one of the following:
  - a. A 10 percent reduction in the difference between the average daily peak power demand and the average daily power demand placed on the grid by the community.<sup>13</sup>
  - b. A 10 percent decrease in the daily average energy demand during peak times, as defined by the utility tariff, placed on the grid by the community.<sup>14</sup>

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<sup>12</sup> For thermal energy storage to be considered an eligible innovative energy management strategy it must be tied to the electric energy consumption of the community, such as ice-based energy storage or the storage of increased thermal energy in electric water heaters using off peak electricity so that hot water can be available during peak times without peak electricity consumption.

<sup>13</sup> The difference between the community's average daily peak power demand and the average daily power demand is the average of the highest energy consumption time interval each day over the course of a 12 month period less the average energy consumption for the same time interval over the same year. The time interval should be no longer than the time interval for which energy use is measured for the members of the community. In the case of residential loads with smart meters, this interval should be no greater than one hour.

<sup>14</sup> Information on the peak times for time-of-use tariffs can be found on your utility's website.

Pacific Gas and Electric: <http://www.pge.com/en/about/rates/rateinfo/rateoptions/index.page>

San Diego Gas and Electric: <http://www.sdge.com/whenergy/#compare-peak-hours>

Southern California Edison: [https://www.sce.com/wps/portal/home/regulatory/tariff-books/rates-pricing-choices!/ut/p/b1/jZBBTsMwEEVPIMxQ0yhdutAmLi1VVaQYb5ATOY5pakeORSROj4PYAp3dSO\\_eRoQwEFY-WG0DMZZ2c-7yN7u8oKW7lws358lsvWaHbPtPcGnRQRel4C\\_DMx\\_8rsbDiz84eGgQQwydImxrQMepDdtm9TOXUbgXgY1JoM3jbE6aTpnGjVCBeK7fFXgptwdkRUvczk54fOZUoKY\\_QB\\_2Ec93bs6fqLagFg9YmGmWYnamuRR](https://www.sce.com/wps/portal/home/regulatory/tariff-books/rates-pricing-choices!/ut/p/b1/jZBBTsMwEEVPIMxQ0yhdutAmLi1VVaQYb5ATOY5pakeORSROj4PYAp3dSO_eRoQwEFY-WG0DMZZ2c-7yN7u8oKW7lws358lsvWaHbPtPcGnRQRel4C_DMx_8rsbDiz84eGgQQwydImxrQMepDdtm9TOXUbgXgY1JoM3jbE6aTpnGjVCBeK7fFXgptwdkRUvczk54fOZUoKY_QB_2Ec93bs6fqLagFg9YmGmWYnamuRR)



6. The Technical Tasks in Part III of the Scope of Work (Attachment 6) must incorporate the following:
- a. Provision of 12 months of historic information on the community electricity consumption and demand; natural gas demand;<sup>15</sup> and the operation of any existing generators in the community. Granularity of the data must be equal to or better than the granularity used for the applicable time-of-use tariff provided by the local utility.
  - b. Reporting of at least 12 months of technical data collection for the operation of the generation resources, the innovative energy management strategies, and the energy demand of the community (both electrical and natural gas).<sup>16</sup>
    - i. Energy consumption and generation data must have granularity equal to or better than the granularity used for the applicable time-of-use tariff provided by the local utility.
    - ii. Data on the use of innovative energy management strategies must identify in which time period, consistent with the energy consumption and generation data, the strategies were enacted and to what level they were enacted.
  - c. Provide an itemized list of interconnection and permitting costs, documentation of issues or barriers in the interconnection and permitting process, and interconnection timeline.
  - d. A discussion of how the community scale generation and strategies have provided or will provide value and benefits to the community, the local distribution grid, the electric utility, and ratepayers.
  - e. A discussion of the community's use of renewable resources, CHP, innovative generation deployments, demand response, energy storage, and other strategies to help create customer value and a more robust grid.
  - f. A discussion of the barriers and solutions to deployment of community scale generation with innovative energy management strategies, including, but not limited to, financing options, permitting requirements, and regulatory activities.
  - g. Documentation of the project outcome, either success or failure, as measured in accordance with parameters approved by the Energy Commission.
  - h. Development of business cases that maximize the daily operating value to the community of customers, local distribution grid, and electric utility.
  - i. A discussion of lessons learned and best practices, including a design configuration that provides the highest value with minimal costs, financial and otherwise.

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<sup>15</sup> Natural gas usage information must only be provided if the community's natural gas demand will change as a direct result of innovative strategies or generation installed in the community.

<sup>16</sup> Natural gas usage information must only be provided if the community's natural gas demand will change as a direct result of innovative strategies or generation installed in the community.

#### **4. Ratepayer Benefits, Technological Advancements, and Breakthroughs**

California Public Resources Code Section 25711.5(a) requires EPIC-funded projects to:

- Benefit electricity ratepayers; and
- Lead to technological advancement and breakthroughs to overcome the barriers that prevent the achievement of the state's statutory energy goals.

The CPUC defines "ratepayer benefits" as greater reliability, lower costs, and increased safety.<sup>17</sup> The CPUC has also adopted the following guiding principles as complements to the key principle of electricity ratepayer benefits: societal benefits; GHG emissions mitigation and adaptation in the electricity sector at the lowest possible cost; the loading order; low-emission vehicles/transportation; economic development; and efficient use of ratepayer monies.<sup>18</sup>

Accordingly, the Project Narrative Form (Attachment 4) and the "Goals and Objectives" section of the Scope of Work Template (Attachment 6) must describe how the project will: (1) benefit California IOU ratepayers by increasing reliability, lowering costs, and/or increasing safety; and (2) lead to technological advancement and breakthroughs to overcome barriers to achieving the state's statutory energy goals.

#### **5. Measurement and Verification Plan**

Include a Measurement and Verification Plan in the Project Narrative (Attachment 4) that describes how actual project benefits will be measured and quantified, such as by pre and post-project energy use (kilowatt hours, kilowatts) and cost. Any estimates of energy savings or GHG impacts must be calculated using the References for Calculating Electricity End-Use, Electricity Demand, and GHG Emissions (Attachment 12).

### **C. ELIGIBILITY CHECKLIST FOR APPLICANTS**

Each of the following criteria must clearly be demonstrated within the project application.

1. The applicant is not a publicly-owned electric utility.
2. The demonstration site:
  - a. Is a community, as defined in this solicitation.
  - b. Is interconnected to the electricity grid under the same distribution feeder.
3. The project will include the development of at least one generation resource that:
  - c. Has a nameplate capacity no less than 10 percent of the community peak load.
  - d. Uses an RPS-eligible energy resource and no greater than 10 percent nonrenewable energy inputs, or is CHP
4. The application identifies at least one innovative strategy to control energy demand that will be deployed in the community.
5. The application identifies the energy efficiency measures undergone by the community or that will be pursued as part of this project.
6. The application includes a Measurement and Verification Plan in the Project Narrative (Attachment 4).

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<sup>17</sup> *Id.* at p. 19.

<sup>18</sup> *Id.* at pp. 19-20.

### III. Application Organization and Submission Instructions

#### A. APPLICATION FORMAT, PAGE LIMITS, AND NUMBER OF COPIES

The following table summarizes the application formatting and page limit requirements:

<b>Format</b>	<ul style="list-style-type: none"> <li>• <b>Font:</b> 11-point, Arial (excluding Excel spreadsheets, original template headers and footers, <u>resumes</u>, and commitment or support letters)</li> <li>• <b>Signatures:</b> Manual (i.e., not electronic)</li> <li>• Headers and footers: 11-point Arial, or the same format that is used in the original Attachments on the website</li> <li>• Margins: No less than one inch on all sides (excluding headers and footers)</li> <li>• Spacing: Single spaced, with a blank line between each paragraph</li> <li>• Pages: Numbered and printed double-sided (when determining page limits, each printed side of a page counts as one page)</li> <li>• Labeling: Tabbed and labeled as required in Sections B and C below</li> <li>• Binding: Original binder clipped; all other copies spiral or comb bound (binders discouraged)</li> <li>• File Format: MS Word version 1997-2003 or version 2007 or later (.doc or .docx format), excluding excel spreadsheets and commitment or support letters (PDF files are acceptable for the letters)</li> <li>• File Storage: Electronic files of the application must be submitted on a CD-ROM or USB memory stick</li> <li>• Signed commitment letters may be sent as PDF documents from a scan of the original (i.e. no electronic signatures)</li> </ul>
<b>Page Limits</b>	<ul style="list-style-type: none"> <li>• Page limits are as follows: <ul style="list-style-type: none"> <li>○ <b>Executive Summary</b> (Attachment 2): <b>two</b> pages</li> <li>○ <b>Fact Sheet</b> (Attachment 3): <b>two</b> pages</li> <li>○ <b>Project Narrative Form</b> (Attachment 4): <b>twenty</b> pages</li> <li>○ <b>Project Team Form</b> (Attachment 5): <b>two</b> pages for each resume</li> <li>○ <b>Reference and Work Product Form</b> (Attachment 9): <b>one</b> page for each reference, <b>two</b> pages for each project description</li> <li>○ <b>Commitment and Support Letter Form</b> (Attachment 11): <b>two</b> pages, excluding the cover page</li> </ul> </li> <li>The following attachments may not cumulatively exceed <b>seventy</b> pages: <ul style="list-style-type: none"> <li>○ <b>Executive Summary Form</b></li> <li>○ <b>Fact Sheet Template</b></li> <li>○ <b>Project Narrative Form</b></li> <li>○ <b>Scope of Work Template</b> (Attachment 6 and 6a)</li> </ul> </li> <li>• There are no page limits for the following: <ul style="list-style-type: none"> <li>○ <b>Application Form</b> (Attachment 1)</li> <li>○ <b>Budget Forms</b> (Attachment 7)</li> <li>○ <b>CEQA Compliance Form</b> (Attachment 8)</li> <li>○ <b>Contact List Template</b> (Attachment 10)</li> </ul> </li> </ul>
<b>Number of Copies of the Application</b>	<ul style="list-style-type: none"> <li>• <b>Seven</b> hard copies (including one copy with original signatures)</li> <li>• <b>One</b> electronic copy (on a CD-ROM or USB memory stick)</li> </ul>

## B. APPLICATION DELIVERY

Include the following label information on the mailing envelope:

Applicant's Project Manager  
Applicant's Name  
Street Address  
City, State, and Zip Code

PON-14-307  
Contracts, Grants, and Loans Office, MS-18  
California Energy Commission  
1516 Ninth Street, 1st Floor  
Sacramento, California 95814

Applications must be delivered to the Energy Commission's Contracts, Grants, and Loans Office in a sealed package (in person or via U.S. mail or courier service) during normal business hours, prior to the date and time specified in the "Key Activities Schedule" in Part I of this solicitation. Applications received after the specified date and time are considered late and will not be accepted. Postmark dates of mailing, e-mail, and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

## C. APPLICATION ORGANIZATION AND CONTENT

1. Submit applications in the order specified below.
2. Label the proposal application cover "Program Opportunity Notice PON-14-307" and include: (a) the title of the application; and (b) the applicant's name.
3. Separate each section of the application by a tab that is labeled only with the tab number, ~~or the~~ and section title indicated below, or both the tab number and section title indicated below.

Tab/Attachment Number	Title of Section
1	Application Form <i>(requires signature)</i>
2	Executive Summary
3	Fact Sheet
4	Project Narrative
5	Project Team
6 (includes 6a)	Scope of Work
7	Budget
8	CEQA Compliance Form <i>(requires signature)</i>
9	References and Work Product
10	Contact List
11	Commitment and Support Letters <i>(requires signature)</i>

Below is a description of each required section of the application:

**1. Application Form (Attachment 1)**

This form requests basic information about the applicant and the project. The application must include an original form that includes all requested information and is signed by an authorized representative of the applicant's organization.

**2. Executive Summary Form (Attachment 2)**

The Executive Summary must include: a project description; the project goals and objectives to be achieved; an explanation of how the goals and objectives will be achieved, quantified, and measured; and a description of the project tasks and overall management of the agreement.

**3. Fact Sheet Template (Attachment 3)**

The project fact sheet must present project information in a manner suitable for publication (if the project receives funding, the Energy Commission may use the fact sheet to publicize the project). The fact sheet must follow the template, which includes a summary of project specifics and a description of the issue addressed by the project, a project description, and anticipated benefits for the state of California.

**4. Project Narrative Form (Attachment 4)**

This form will include the majority of the applicant's responses to the Scoring Criteria in Part IV. Although the Evaluation Committee will score information provided in the entire proposal, applicants are requested, unless otherwise instructed, to use this form to respond to each sub-criterion.

**5. Project Team Form (Attachment 5)**

Identify by name all key personnel<sup>19</sup> assigned to the project, including the project manager and principal investigator (if applicable), and individuals employed by any major subcontractor (i.e., a subcontractor receiving at least 25% of Commission funds or \$100,000, whichever is less). Clearly describe their individual areas of responsibility. Include the information required for each individual, including a resume (maximum two pages, printed double-sided).

**6. Scope of Work Template (Attachment 6 and 6a)**

Applicants must include a completed Scope of Work for each project, as instructed in the template. The Scope of Work identifies the tasks required to complete the project. It includes a project schedule that lists all products, meetings, and due dates. All work must be scheduled for completion within 36 to 48 months of the project start date.

Electronic files for **Parts I-IV** of the Scope of Work are in **MS Word**. **Part V** (Project Schedule, Attachment 6a) is in **MS Excel**.

**7. Budget Forms (Attachment 7)**

The budget forms are in MS Excel format and consist of seven worksheets. Detailed instructions for completing them are included at the beginning of Attachment 7. **Read the**

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<sup>19</sup> "Key personnel" are individuals that are critical to the project due to their experience, knowledge, and/or capabilities.

**instructions before completing the worksheets.** Complete and submit information on all budget worksheets. The salaries, rates, and other costs entered on the worksheets will become a part of the final agreement.

- 1) All project expenditures (match share and reimbursable) must be made within the approved agreement term. Match share requirements are discussed in Part I of this solicitation. The entire term of the agreement and projected rate increases must be considered when preparing the budget.
- 2) The budget must reflect estimates for **actual** costs to be incurred during the agreement term. The Energy Commission may only approve and reimburse for actual costs that are properly documented in accordance with the grant terms and conditions. Rates and personnel shown must reflect the rates and personnel the applicant would include if selected as a Recipient.
- 3) The proposed rates are considered capped and may not change during the agreement term. The Recipient will only be reimbursed for **actual** rates up to the rate caps.
- 4) The budget must **NOT** include any Recipient profit from the proposed project, either as a reimbursed item, match share, or as part of overhead or general and administrative expenses (subcontractor profit is allowable, though the maximum percentage allowed is 10 percent of project expenses). Please review the terms and conditions and budget forms for additional restrictions and requirements.
- 5) The budget must allow for the expenses of all meetings and products described in the Scope of Work. Meetings may be conducted at the Energy Commission or by conference call, as determined by the Commission Agreement Manager.
- 6) Applicants must budget for permits and insurance. Permitting costs may be accounted for in match share (please see the discussion of permits in the Scope of Work, Attachment 6).
- 7) **Prevailing wage requirement:** Applicants must pay prevailing wages (i.e., rates pre-determined by the California Department of Industrial Relations) to all workers employed on public works projects that exceed \$1,000. Public works projects involve demolition, installation, repair, or maintenance work. If the proposed project involves such work, the Applicant must assume that the project is a public work and budget accordingly unless it obtains a determination from the California Department of Industrial Relations or a court of competent jurisdiction that the project is not a public work. Please see the terms and conditions for additional information about the prevailing wage requirement.

**8. California Environmental Quality Act (CEQA) Compliance Form (Attachment 8)**

The Energy Commission requires the information on this form to facilitate its evaluation of the funded activities under CEQA (Public Resources Code Section 21000 et. seq.), a law that requires state and local agencies in California to identify, award, and mitigate the significant environmental impacts of their actions. The form will also help applicants to determine CEQA compliance obligations by identifying which funded activities may trigger CEQA. If the activities do not trigger CEQA (for example, paper studies) the worksheet will help to identify and document this.

*This form must be completed and signed regardless of whether the proposed activities are considered a "project" Under CEQA. Failure to complete the CEQA process in a timely manner after the Energy Commission's issuance of an award may result in cancellation of the award and allocation of funding to the next highest-scoring project.*

**9. Reference and Work Product Form (Attachment 9)**

- 1) Section 1: Provide applicant and subcontractor references as instructed.
- 2) Section 2: Provide a list of past projects detailing technical and business experience of the applicant (or any member of the project team) that is related to the proposed work. Identify past projects that resulted in market-ready technology, advancement of codes and standards, and/or advancement of state energy policy. Include copies of up to three of the applicant or team member's recent publications in scientific or technical journals related to the proposed project, as applicable.

**10. Contact List Template (Attachment 10)**

The list identifies the names and contact information of the project manager, administrator, and accounting officer.

**11. Commitment and Support Letter Form (Attachment 11)**

A commitment letter commits an entity or individual to providing the service or funding described in the letter. A support letter details an entity or individual's support for the project.

1) Commitment Letters

- Applicants must submit a match funding commitment letter signed by each representative of the entity or individual that is committing to providing match funding. The letter must: (1) identify the source(s) of the funds; and (2) guarantee the availability of the funds for the project.
- If the project involves demonstration or deployment activities, the applicant must include a letter signed by an authorized representative of the proposed demonstration or deployment site that commits to providing the site for the proposed activities.
- **Project partners** that are making contributions other than match funding or a technology demonstration or deployment site must submit a commitment letter signed by an authorized representative that: (1) identifies how the partner will contribute to the project; and (2) commits to making the contribution.

2) Support Letters

All applicants must include at least one support letter from a project stakeholder (i.e., an entity or individual that will benefit from or be involved in the project) that: (1) describes the stakeholder's interest or involvement in the project; (2) indicates the extent to which the project has the support of the relevant industry and/or organizations; and (3) describes any support it intends (but does not necessarily commit) to provide for the project, such as funding or the provision of a technology demonstration or deployment site.

## IV. Evaluation and Award Process

### A. APPLICATION EVALUATION

Applications will be evaluated and scored based on responses to the information requested in this solicitation. To evaluate applications, the Energy Commission will organize an Evaluation Committee that consists primarily of Energy Commission staff. The Evaluation Committee may use technical expert reviewers to provide an analysis of applications. Applications will be evaluated in two stages:

#### 1. Stage One: Application Screening

The Contracts, Grants, and Loans Office and/or the Evaluation Committee will screen applications for compliance with the Screening Criteria in **Section E** of this Part. **Applications that fail any of the screening criteria will be rejected.**

#### 2. Stage Two: Application Scoring

Applications that pass Stage One will be submitted to the Evaluation Committee for review and scoring based on the Scoring Criteria in **Section F** of this Part.

- The scores for each application will be the average of the combined scores of all Evaluation Committee members.
- **A minimum score of 70.00 points** is required for the application to be eligible for funding. However, the application must receive a minimum score of **49.00 points** for criteria **1–4** to be eligible for funding.
- **Clarification Interviews:** The Evaluation Committee may conduct optional in-person or telephone interviews with applicants during the evaluation process to clarify and/or verify information submitted in the application. However, these interviews may not be used to change or add to the content of the original application. Applicants will not be reimbursed for time spent answering clarifying questions.

### B. RANKING, NOTICE OF PROPOSED AWARDS, AND AGREEMENT DEVELOPMENT

#### 1. Ranking and Notice of Proposed Awards

Applications that receive a minimum score of 70.00 points for all criteria will be ranked according to their score.

- The Energy Commission will post a **Notice of Proposed Award (NOPA)** that includes: (1) the total proposed funding amount; (2) the rank order of applicants; and (3) the amount of each proposed award. The Commission will post the NOPA at its headquarters in Sacramento and on its website, and will mail it to all parties that submitted an application. Proposed awards must be approved by the Commission at a business meeting.
- **Debriefings:** Unsuccessful applicants may request a debriefing after the release of the NOPA by contacting the Commission Agreement Officer listed in Part I. A request for debriefing must be received **no later than 15 calendar days** after the NOPA is released.
- The Energy Commission reserves the right to:
  - Allocate any additional funds to passing applications, in rank order; and
  - Negotiate with successful applicants to modify the project scope, schedule, and/or level of funding.



## **2. Agreements**

Applications recommended for funding will be developed into a grant agreement to be considered at an Energy Commission Business Meeting. Recipients may begin the project only after full execution of the grant agreement (i.e., approval at an Energy Commission business meeting and signature by the Recipient and the Energy Commission).

- **Resolution Requirement (for government agency recipients only):** Prior to approval of the agreement at a business meeting, government agency recipients (e.g., federal, state, and local governments; air/water/school districts; joint power authorities; and state universities) must provide a resolution that authorizes the agency to enter into the agreement and is signed by a representative authorized to execute the agreement and all documents related to the award.  
Resolutions must include: (1) a brief description of the project; (2) the award amount; and (3) an acceptance of the award.
- **Agreement Development:** If approved at a business meeting, the Contracts, Grants, and Loans Office will send the Recipient a grant agreement for approval and signature. The agreement will include the applicable terms and conditions and will incorporate this solicitation by reference. The Energy Commission reserves the right to modify the award documents (including the terms and conditions) prior to executing any agreement.
- **Failure to Execute an Agreement:** If the Energy Commission is unable to successfully execute an agreement with an applicant, it reserves the right to cancel the pending award and to fund the next highest-ranked, eligible application.
- **Agreement Amendment:** The executed agreement may be amended by mutual consent of the Energy Commission and the Recipient. The agreement may require amendment as a result of project review, changes in project scope, and/or availability of funding.

## **C. GROUNDS TO REJECT AN APPLICATION OR CANCEL AN AWARD**

Applications that do not pass the screening stage will be rejected. In addition, the Energy Commission reserves the right to reject an application and/or to cancel an award if any of the following circumstances are discovered at any time during the application or agreement process:

- The application contains false or intentionally misleading statements or references that do not support an attribute or condition contended by the applicant.
- The application is intended to erroneously and fallaciously mislead the State in its evaluation and the attribute, condition, or capability is a requirement of this solicitation.
- The application does not literally comply or contains caveats that conflict with the solicitation, and the variation or deviation is material.
- The applicant has previously received funding through a Public Interest Energy Research (PIER) agreement, has received the PIER royalty review letter (which the Energy Commission annually sends out to remind past recipients of their obligations to pay royalties), and has not responded to the letter or is otherwise not in compliance with repaying royalties.
- The applicant has received unsatisfactory evaluations from the Energy Commission or another California state agency.
- The applicant is a business entity that is not in good standing with the California Secretary of State.
- The applicant has not demonstrated that it has the financial capability to complete the project.

- The application is not submitted in the format specified in Part III, Sections A, B, and C of the solicitation.

## **D. MISCELLANEOUS**

### **1. Solicitation Cancellation and Amendment**

It is the policy of the Energy Commission not to solicit applications unless there is a bona fide intention to award an agreement. However, if it is in the State's best interest, the Energy Commission reserves the right to do any of the following:

- Cancel this solicitation;
- Revise the amount of funds available under this solicitation;
- Amend this solicitation as needed; and/or
- Reject any or all applications received in response to this solicitation.

If the solicitation is amended, the Energy Commission will send an addendum to all parties who requested the solicitation, and will also post it on the Energy Commission's website at: [www.energy.ca.gov/contracts](http://www.energy.ca.gov/contracts). The Energy Commission will not reimburse applicants for application development expenses under any circumstances, including cancellation of the solicitation.

### **2. Modification or Withdrawal of Application**

Applicants may withdraw or modify a submitted application before the deadline to submit applications by sending a letter to the Commission Agreement Officer listed in Part I. Applications cannot be changed after that date and time. An Application cannot be "timed" to expire on a specific date. For example, a statement such as the following is non-responsive to the solicitation: "This application and the cost estimate are valid for 60 days."

### **3. Confidentiality**

Though the entire evaluation process from receipt of applications up to the posting of the NOPA is confidential, **all submitted documents will become public records** after the Energy Commission posts the NOPA or the solicitation is cancelled. **The Energy Commission will not accept or retain applications that identify any portion as confidential.**

### **4. Solicitation Errors**

If an applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the solicitation, the applicant should immediately notify the Energy Commission of the error in writing and request modification or clarification of the solicitation. The Energy Commission will provide modifications or clarifications by written notice to all parties who requested the solicitation, without divulging the source of the request for clarification. The Energy Commission will not be responsible for failure to correct errors.

### **5. Immaterial Defect**

The Energy Commission may waive any immaterial defect or deviation contained in an application. The Energy Commission's waiver will not modify the application or excuse the successful applicant from full compliance with solicitation requirements.

### **6. Disposition of Applicant's Documents**

Upon the posting of the NOPA, all applications and related materials submitted in response to this solicitation will become property of the State and public records. Unsuccessful Applicants who seek the return of any materials must make this request to the Agreement Officer listed in Part I, and provide sufficient postage to fund the cost of returning the materials.

## E. STAGE ONE: APPLICATION SCREENING

<p align="center"><b>SCREENING CRITERIA</b></p> <p><i>The Application must pass ALL criteria to progress to Stage Two.</i></p>	<p align="center"><b>Pass/Fail</b></p>
<p>1. The application is received by the Energy Commission's Contracts, Grants, and Loans Office by the due date and time specified in the "Key Activities Schedule" in Part I of this solicitation.</p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>2. The application addresses only one of the eligible project groups, as indicated on the Application Form.</p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>3. If the applicant has submitted more than one application for the same project group, each application is for a distinct project (i.e., no overlap with respect to the tasks described in the Scope of Work, Attachment 6).</p> <p><i>If the projects are not distinct and the applications were submitted at the same time, only the first application screened by the Energy Commission will be eligible for funding. If the applications were submitted separately, only the first application received by the Energy Commission will be eligible for funding.</i></p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>4. The requested funding falls within the minimum and maximum range specified in Part I of this solicitation.</p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>5. The applicant and project meet the eligibility requirements described in the "Eligibility Checklist for Applicants" in Part II Section C.</p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>6. The application is complete, meaning that it: (1) includes all documents required in Part III, Section C; (2) includes all information required within each document; and (3) is signed where required by an authorized representative. <b><i>Electronic signatures are not acceptable.</i></b></p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>7. The project date does not extend past the anticipated agreement end date specified in the "Key Activities Schedule" in Part I.</p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>8. The Application Form and budget specify that the applicant will provide at least 20% of the requested Energy Commission funds in match funds. Any pledged match funding must be consistent with the amount or dollar value described in the commitment letter(s). If the match funding amounts identified in the application form, budget form, or commitment letter(s) are inconsistent, the lesser of these values will be considered.</p>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>
<p>9. The project involves demonstration and deployment activities:</p> <ul style="list-style-type: none"> <li>○ The Application Form identifies one or more demonstration and deployment site locations.</li> <li>○ All demonstration and deployment sites are located in a California electric IOU service territory (PG&amp;E, SDG&amp;E, or SCE).</li> </ul>	<p><input type="checkbox"/> Pass <input type="checkbox"/> Fail</p>

<b>SCREENING CRITERIA</b> <i>The Application must pass ALL criteria to progress to Stage Two.</i>	<b>Pass/Fail</b>
10. The application does not contain any confidential information or identify any portion of the application as confidential.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
11. The applicant has not included a statement or otherwise indicated that it will not accept the terms and conditions, or that acceptance is based on modifications to the terms and conditions.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
12. The proposal includes one or more support letters, a match funding commitment letter, and a technology demonstration or deployment commitment letter that meet the requirements of Attachment 11.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail
13. The application is either for Group 2, or the demonstration community is located entirely within a 2010 census tract with the poorest environmental quality as defined by a CalEnviroScreen 2.0 in the 81 or greater percential range, and identified in the provided Excel spreadsheet.	<input type="checkbox"/> Pass <input type="checkbox"/> Fail

## F. STAGE TWO: APPLICATION SCORING

Proposals that pass ALL Stage One Screening Criteria will be evaluated based on the Scoring Criteria on the next page and the Scoring Scale below (with the exception of criteria 6–8, which will be evaluated as described in each criterion). Each criterion has an assigned number of possible points, and is divided into multiple sub-criteria. The sub-criteria are not equally weighted. Although the Evaluation Committee will score information provided in the entire proposal, applicants are requested, unless otherwise instructed, to use the Project Narrative (Attachment 4) to respond to each sub-criterion.

- The total minimum passing score is **70.00 out of 100 points** for criteria 1-7.
- The minimum passing score for **criteria 1–4 is 49.00 points**. The points for criteria 5–8 will only be applied to proposals that achieve the minimum score for criteria 1–4.

### SCORING SCALE

% of Possible Points	Interpretation	Explanation for Percentage Points
0%	Not Responsive	<ul style="list-style-type: none"> <li>• The response fails to address the criteria.</li> <li>• The omissions, flaws, or defects are significant and unacceptable.</li> </ul>
10-30%	Minimally Responsive	<ul style="list-style-type: none"> <li>• The response minimally addresses the criteria.</li> <li>• The omissions, flaws, or defects are significant and unacceptable.</li> </ul>
40-60%	Inadequate	<ul style="list-style-type: none"> <li>• The response addresses the criteria.</li> <li>• There are one or more omissions, flaws, or defects or the criteria are addressed in a limited way that results in a low degree of confidence in the proposed solution.</li> </ul>
70%	Adequate	<ul style="list-style-type: none"> <li>• The response adequately addresses the criteria.</li> <li>• Any omissions, flaws, or defects are inconsequential and acceptable.</li> </ul>
80%	Good	<ul style="list-style-type: none"> <li>• The response fully addresses the criteria with a good degree of confidence in the applicant's response or proposed solution.</li> <li>• There are no identified omissions, flaws, or defects. Any identified weaknesses are minimal, inconsequential, and acceptable.</li> </ul>
90%	Excellent	<ul style="list-style-type: none"> <li>• The response fully addresses the criteria with a high degree of confidence in the applicant's response or proposed solution.</li> <li>• The applicant offers one or more enhancing features, methods, or approaches that exceed basic expectations.</li> </ul>
100%	Exceptional	<ul style="list-style-type: none"> <li>• All criteria are addressed with the highest degree of confidence in the applicant's response or proposed solution.</li> <li>• The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution.</li> </ul>

## **SCORING CRITERIA**

Although the Evaluation Committee will score information provided in the entire proposal, applicants are requested, unless otherwise instructed, to use the **Project Narrative (Attachment 4)** to respond to each sub-criterion. Any estimates of energy savings or GHG impacts must be calculated as specified in the **References for Calculating Electricity End-Use, Electricity Demand, and GHG Emissions (Attachment 12)**, to the extent that the references apply to the proposed project. Group 1 and Group 2 application will use the same scoring criteria, but their scores will be ranked ordered within their respective group.

Scoring Criteria	Maximum Points
<p><b>1. Technical Merit and Need</b></p> <ul style="list-style-type: none"> <li>a. Provides a clear and concise description of the goals, objectives, technological or scientific knowledge advancement, and innovation in the proposed project. <ul style="list-style-type: none"> <li>• The goals of this project contain all eight goals identified in the Project Focus in the Eligibility Requirements.</li> </ul> </li> <li>b. Explains how the proposed project will lead to technological advancement and breakthroughs that overcome barriers to achieving the state's statutory energy goals.</li> <li>c. Summarizes the current status of the relevant technology and/or scientific knowledge, and explains how the proposed project will advance, supplement, and/or replace current technology and/or scientific knowledge.</li> <li>d. Demonstrates all the following: <ul style="list-style-type: none"> <li>• The proposed generator is an advancement compared to the standard commercially available products, and why this generator is a good candidate for technology demonstration and deployment.</li> <li>• The community has undergone, or will undergo, cost effective energy efficiency measures.</li> <li>• The innovative strategies to be implemented will provide meaningful impacts on the energy use in the community.</li> <li>• The proposed generator and innovative strategies will result in either: <ul style="list-style-type: none"> <li>▪ A 10 percent reduction in the difference between the community's average daily peak power demand and the average daily power demand placed on the grid by the community.<sup>20</sup></li> </ul> </li> </ul> </li> </ul>	<p><b>20</b></p>

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<sup>20</sup> The difference between the community's average daily peak power demand and the average daily power demand is the average of the highest energy consumption time interval each day over the course of a 12 month period less the average energy consumption for the same time interval over the same year. The time interval should be no longer than the time interval for which energy use is measured for the November 2014

Scoring Criteria	Maximum Points
<ul style="list-style-type: none"> <li>▪ A 10 percent decrease in the daily average energy demand during peak times, as defined by the utility tariff, placed on the grid by the community.<sup>21</sup></li> <li>e. Justifies the need for EPIC funding, including an explanation of why the proposed work is not adequately supported by competitive or regulated markets.</li> <li>f. Discusses the degree to which the proposed work is technically feasible and achievable. <ul style="list-style-type: none"> <li>• Describes the electrical layout of the community, including the identification of nonparticipating customers comingled with the participating customers.</li> <li>• The remaining tasks and timeline to complete the interconnection process are reasonable and achievable within the project timeframe.</li> </ul> </li> <li>g. Provides a clear and plausible measurement and verification plan that describes how energy savings and other benefits specified in the application will be determined and measured.</li> </ul>	
<p><b>2. Technical Approach</b></p> <ul style="list-style-type: none"> <li>a. Describes the technique, approach, and methods to be used in performing the work described in the Scope of Work. Highlights any outstanding features.</li> <li>b. Describes how tasks will be executed and coordinated with various participants and team members.</li> <li>c. Identifies and discusses factors critical for success, in addition to risks, barriers, and limitations. Provides a plan to address them.</li> <li>d. Describes how the knowledge gained, experimental results, and lessons learned will be made available to the public and key decision-makers.</li> </ul>	<b>20</b>

members of the community. In the case of residential loads with smart meters, this interval should be no greater than one hour.

<sup>21</sup> Information on the peak times for time-of-use tariffs can be found on your utility's website.

Pacific Gas and Electric: <http://www.pge.com/en/about/rates/rateinfo/rateoptions/index.page>

San Diego Gas and Electric: <http://www.sdge.com/whenergy/#compare-peak-hours>

Southern California Edison: [https://www.sce.com/wps/portal/home/regulatory/tariff-books/rates-pricing-choices!/ut/p/b1/jZBBTsMwEEVPIMxQ0yhdutAmLi1VVaQYb5ATOY5pakeORSROj4PYAp3dSO\\_eRoQwEFY-WG0DMZZ2c-7yN7u8oKW7lws358lsvWaHbPtPcGnRQRel4C\\_DMx\\_8rsbDiz84eGgQQwydlmxrQMepDdtm9TOXUbgXgY1JoM3jbE6aTpnGjVCBeK7fFXgptwdkRUvczk54fOZUoKY\\_QB\\_2Ec93bs6fqLagFg9YmGmWYnamuRRyatWeeXTzo0B-DRNqXZO9ypt3BWGK\\_cl\\_i-vFT0C1RoPCQ!/dl4/d5/L2dBISevZ0FBIS9nQSEh/?from=tariffbooks](https://www.sce.com/wps/portal/home/regulatory/tariff-books/rates-pricing-choices!/ut/p/b1/jZBBTsMwEEVPIMxQ0yhdutAmLi1VVaQYb5ATOY5pakeORSROj4PYAp3dSO_eRoQwEFY-WG0DMZZ2c-7yN7u8oKW7lws358lsvWaHbPtPcGnRQRel4C_DMx_8rsbDiz84eGgQQwydlmxrQMepDdtm9TOXUbgXgY1JoM3jbE6aTpnGjVCBeK7fFXgptwdkRUvczk54fOZUoKY_QB_2Ec93bs6fqLagFg9YmGmWYnamuRRyatWeeXTzo0B-DRNqXZO9ypt3BWGK_cl_i-vFT0C1RoPCQ!/dl4/d5/L2dBISevZ0FBIS9nQSEh/?from=tariffbooks)

Scoring Criteria	Maximum Points
<p><b>3. Impacts and Benefits for California IOU Ratepayers</b></p> <ul style="list-style-type: none"> <li>a. Explains how the proposed project will benefit California Investor-Owned Utility (IOU) ratepayers with respect to the EPIC goals of <u>greater reliability</u>, <u>lower costs</u>, and/or <u>increased safety</u>).</li> <li>b. Provides clear, plausible, and justifiable <b>quantitative</b> estimates of potential benefits for California IOU electricity ratepayers, including the following (<i>as applicable</i>): annual electricity and thermal savings (kilowatt-hour and therms), peak load reduction and/or shifting, energy cost reductions, greenhouse gas emission reductions, air emission reductions (e.g., NOx), and water use and/or cost reductions.</li> <li>c. States the timeframe, assumptions, and calculations for the estimated benefits, and explains their reasonableness.</li> <li>d. Identifies impacted market segments in California, including size and penetration or deployment rates, with underlying assumptions.</li> <li>e. Discusses any <b>qualitative</b> or intangible benefits to California IOU electricity ratepayers, including timeframe and assumptions.</li> <li>f. Provides a cost-benefit analysis that compares project costs to anticipated benefits. Explains how costs and benefits will be calculated and quantified, and identifies any underlying assumptions.</li> </ul>	<p><b>20</b></p>
<p><b>4. Team Qualifications, Capabilities, and Resources</b></p> <ul style="list-style-type: none"> <li>a. Describes the organizational structure of the applicant and the project team. Includes an <u>organizational chart</u> that illustrates the structure.</li> <li>b. Identifies key team members, including the project manager and principal investigator (<i>include this information in Attachment 5, Project Team Form</i>).</li> <li>c. Summarizes the qualifications, experience, capabilities, and credentials of the key team members (<i>include this information in Attachment 5, Project Team Form</i>).</li> <li>d. Explains how the various tasks will be managed and coordinated, and how the project manager's technical expertise will support the effective management and coordination of all projects in the application.</li> <li>e. Describes the facilities, infrastructure, and resources available to the team.</li> <li>f. Describes the team's history of successfully completing projects (e.g., RD&amp;D projects) and commercializing and/or deploying results/products.</li> <li>g. Identifies past projects that resulted in a market-ready technology (<i>include this information in Attachment 9, Reference and Work Product Form</i>).</li> <li>h. References are current, meaning within the past three years (<i>include this information in Attachment 9, Reference and Work Product Form</i>).</li> </ul>	<p><b>10</b></p>



Scoring Criteria	Maximum Points
<ul style="list-style-type: none"> <li>i. Identifies any collaborations with utilities, industries, or others. Explains the nature of the collaboration and what each collaborator will contribute.</li> <li>j. Demonstrates that the applicant has the financial ability to complete the project, as indicated by the responses to the following questions: <ul style="list-style-type: none"> <li>• Has your organization been involved in a lawsuit or government investigation within the past five years?</li> <li>• Does your organization have overdue taxes?</li> <li>• Has your organization ever filed for or does it plan to file for bankruptcy?</li> <li>• Has any party that entered into an agreement with your organization terminated it, and if so for what reason?</li> <li>• For Energy Commission agreements listed in the application that were executed (i.e., approved at a Commission business meeting and signed by both parties) within the past five years, has your organization ever failed to provide a final report by the date indicated in the agreement?</li> </ul> </li> <li>k. Support or commitment letters (for match funding, test sites, or project partners) indicate a strong level of support or commitment for the project. Commitment letters that are not required and do not meet the requirements of Attachment 11 will not be considered.</li> </ul>	
<b>Total Possible Points for criteria 1–4 (Minimum Passing Score for criteria 1–4 is <u>49.00</u>)</b>	<b>70</b>
<b>5. Budget and Cost-Effectiveness</b> <ul style="list-style-type: none"> <li>a. Justifies the reasonableness of the requested funds relative to the project goals, objectives, and tasks.</li> <li>b. Justifies the reasonableness of costs for direct labor, non-labor (e.g., indirect overhead, general and administrative costs, and subcontractor profit), and operating expenses by task.</li> <li>c. Explains why the hours proposed for personnel and subcontractors are reasonable to accomplish the activities in the Scope of Work (Attachment 6).</li> <li>d. Explains how the applicant will maximize funds for the technical tasks in Part III of the Scope of Work and minimize expenditure of funds for program administration and overhead.</li> </ul>	<b>10</b>

Scoring Criteria	Maximum Points												
<p><b>6. EPIC Funds Spent in California</b></p> <p>Projects that spend EPIC funds in California will receive points as indicated in the table below. "Spent in California" means that: (1) Funds under the "Direct Labor" category and all categories calculated based on direct labor in the B-4 budget attachments (Prime and Subcontractor Labor Rates) are paid to individuals who pay California state income taxes on wages received for work performed under the agreement; and (2) Business transactions (e.g., material and equipment purchases, leases, rentals, and contractual work) are entered into with a business located in California.</p> <p>Airline ticket purchases and payments made to out-of-state workers are not considered funds "spent in California." However, funds spent by out-of-state workers in California (e.g., hotel and food) are considered funds "spent in California."</p> <table border="1" data-bbox="191 785 1062 982"> <thead> <tr> <th>Percentage of EPIC funds spent in CA (derived from budget attachment B-2)</th><th>Percentage of Possible Points</th></tr> </thead> <tbody> <tr> <td>&gt;60%</td><td>20%</td></tr> <tr> <td>&gt;70%</td><td>40%</td></tr> <tr> <td>&gt;80%</td><td>60%</td></tr> <tr> <td>&gt;90%</td><td>80%</td></tr> <tr> <td>=100%</td><td>100%</td></tr> </tbody> </table>	Percentage of EPIC funds spent in CA (derived from budget attachment B-2)	Percentage of Possible Points	>60%	20%	>70%	40%	>80%	60%	>90%	80%	=100%	100%	15
Percentage of EPIC funds spent in CA (derived from budget attachment B-2)	Percentage of Possible Points												
>60%	20%												
>70%	40%												
>80%	60%												
>90%	80%												
=100%	100%												
<p><b>7. Ratio of Direct Labor and Fringe Benefit Rates to Loaded Labor Rates</b></p> <p>The score for this criterion will derive from the Rates Summary worksheet (Tab B-7) in the budget forms, which compares the weighted direct labor and fringe benefits rate to the weighted loaded rate. This ratio, as a percentage, is multiplied by the possible points for this criterion.</p>	5												
<p><b>Total Possible Points</b> <b>(Minimum Passing Score is <u>70</u>)</b></p>	100												
<p><b>8. Match Funding above the 20% Minimum</b></p> <ul style="list-style-type: none"> <li>Match funding is required in the amount of <b>at least 20%</b> of the requested EPIC funds.</li> <li>Each match funding contributor must submit a commitment letter that meets the requirements of Attachment 11. Failure to meet these requirements will disqualify the proposal from consideration.</li> <li>3 points for this criterion will be awarded based on the percentage of match funding that <b>exceeds the minimum match funding amount</b>, relative to the EPIC funds requested. This ratio will be multiplied by 3 to yield the points, and rounded to the nearest whole number.</li> </ul> <p><u>For example:</u> If requested EPIC funds are \$1,000,000, the applicant must provide at least \$200,000 (20% of \$1,000,000) in match funding. If the applicant pledged \$500,000 in match funding, the amount that will be evaluated for additional points is \$300,000. The match funding ratio is 0.30 (3 x 0.30 = 0.9, rounded to the nearest whole number = 1). The</p>	5												

Scoring Criteria	Maximum Points
<p>proposal will be awarded 1 point.</p> <ul style="list-style-type: none"> <li>The remaining 2 points for this criterion will be based on the level of commitment, type of match funding (e.g., cash), dollar value justification, and funding replacement strategy described in the match funding commitment letter (see Attachment 11). The proposal scoring scale in Section F will be used to rate these criteria.</li> </ul>	